

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO

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In re: :  
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THE FINANCIAL OVERSIGHT AND :  
MANAGEMENT BOARD FOR PUERTO RICO, : PROMESA  
 : Title III  
as representative of :  
 : Case No. 17-BK-3283 (LTS)  
THE COMMONWEALTH OF PUERTO RICO *et al.*, :  
 : (Jointly Administered)  
Debtors.<sup>1</sup> :  
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NOTICE OF FILING OF SUPPLEMENTAL DECLARATION  
OF CAROL FLATON OF ZOLFO COOPER, LLC

**PLEASE TAKE NOTICE** that on July 11, 2017 the Official Committee of Unsecured Creditors of all title III Debtors (other than COFINA) (the “Committee”) filed the *Application of Official Committee of Unsecured Creditors of Commonwealth of Puerto Rico for Entry of Order Authorizing Employment and Retention of Zolfo Cooper, LLC as Financial Advisor Effective as of June 27, 2017* (the “Application”) [Docket No. 615], and an order was entered by the Court approving the Application on August 10, 2017 [Docket No. 1001].

**PLEASE TAKE FURTHER NOTICE** that on September 14, 2017, the Committee filed the *Notice of Filing of Supplemental Declaration of Carol Flaton in Furtherance of Application of Official Committee of Unsecured Creditors of Commonwealth of Puerto Rico for Entry of Order Authorizing Employment and Retention of Zolfo Cooper, LLC as Financial Advisor, Effective as of June 27, 2017* (Second Supplemental Declaration) [Docket No. 1304].

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<sup>1</sup> The Debtors in these Title III cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474), and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747).

**PLEASE TAKE FURTHER NOTICE** that on November 14, 2017, the Committee filed the *Notice of Filing of Supplemental Declaration of Carol Flaton in Furtherance of Application of Official Committee of Unsecured Creditors of Commonwealth of Puerto Rico for Entry of Order Authorizing Employment and Retention of Zolfo Cooper, LLC as Financial Advisor, Effective as of June 27, 2017* (Third Supplemental Declaration) [Docket No. 1769].

**PLEASE TAKE FURTHER NOTICE** that in support of the Application, attached hereto as Exhibit A, is the *Supplemental Declaration of Carol Flaton of Zolfo Cooper, LLC* (Fourth Supplemental Declaration).

*[Remainder of page intentionally left blank]*

Dated: November 6, 2018

/s/ G. Alexander Bongartz

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**EXHIBIT A**

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

<p>----- X</p> <p>In re:</p> <p>THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,</p> <p style="padding-left: 40px;">as representative of</p> <p>THE COMMONWEALTH OF PUERTO RICO, et al.,</p> <p style="padding-left: 40px;">Debtors.<sup>1</sup></p> <p>----- X</p>	<p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p>	<p>PROMESA</p> <p>Title III</p> <p>Case No. 17-BK-3283 (LTS)</p> <p>Jointly Administered</p>
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**SUPPLEMENTAL DECLARATION OF  
CAROL FLATON OF ZOLFO COOPER, LLC**

Pursuant to 28 U.S.C. § 1746, I, Carol Flaton, state under penalty of perjury, that:

1. I am an authorized representative of Zolfo Cooper, LLC (“Zolfo Cooper”),<sup>2</sup> which has a place of business at 909 Third Avenue, 30<sup>th</sup> Floor, New York, New York 10022.
2. Except as otherwise noted, I have personal knowledge of the matters set forth herein and, if called as a witness, would testify competently thereto.
3. I submit this supplemental declaration to supplement the disclosures that were included in my original declaration dated July 11, 2017 (the “Declaration”) [ECF No. 615-3] filed in support of the Application of the Official Committee of Unsecured Creditors of the Commonwealth of Puerto Rico (the “Committee”), for Entry of an Order Authorizing the

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<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284) (Last Four Digits of Federal Tax ID: 8474) and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747).

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Application.

Employment and Retention of Zolfo Cooper as Bankruptcy Consultant and Financial Advisor to the Committee *nunc pro tunc* to June 27, 2017, dated July 11, 2017 [ECF No. 615-1].

4. On November 1, 2018, AlixPartners, LLP (“AlixPartners”), a global consulting firm headquartered in New York, acquired all of the membership interests of ZC Holdings, LLC (“ZC Holdings”) and its subsidiaries, including Zolfo Cooper, LLC (“Zolfo Cooper”). Zolfo Cooper will continue to provide services to the Committee (the “PR Engagement”) on this matter as Zolfo Cooper, operating as a subsidiary of AlixPartners.

5. In light of the acquisition, I make the following disclosures: the Puerto Rico Electric Power Authority (the “PREPA Engagement”) was a prior client of AlixPartners on matters unrelated to this bankruptcy. Additionally, AlixPartners is providing electronic discovery services to Jenner & Block (the “E-Discovery Engagement”), in connection with Jenner & Block’s representation of the Official Committee of Retired Employees of the Commonwealth of Puerto Rico. Commencing on November 1, 2018, AlixPartners has instituted information barriers (“Protocols”) in connection with each of the above representations to separate completely the employees providing services on the PREPA Engagement and currently providing services on the E-discovery Engagement (collectively the “AlixPartners Engagements”), on the one hand, and the PR Engagement, on the other hand, to ensure that there is no communication between the employees involved in the AlixPartners Engagements and the flow of information between the PR Engagement and the AlixPartners Engagements. These precautions have been taken out of an abundance of caution, not because there has been any actual or potential inappropriate communication.

6. The following specific steps have been taken:

- i. The Zolfo Cooper employees providing services to the Committee (the “ZC PR Team”) has insulated the records and personnel involved in the PR Engagement from any contact or connection with the employees who provided services under the PREPA Engagement and the E-Discovery Engagement (the “AlixPartners Teams”).
- ii. All relevant personnel working on the PR Engagement have been instructed to have no communication (orally, electronic or otherwise) with any persons involved or previously involved in the AlixPartners Engagements on behalf of PREPA or Jenner & Block concerning the PR Engagement.
- iii. No AlixPartners Team personnel shall be provided access to documents, computer data files, emails or any other information related to the PR Engagement, and no persons performing services on the PR Engagement will have access to any documents, computer data files, or any other information related to AlixPartners’ Engagements.
- iv. No ZC PR Team members working on the PR Engagement shall share confidential information related to the PR Engagement with any individual employed by AlixPartners or its subsidiaries, and no AlixPartners employee shall share confidential information regarding the AlixPartners Engagements with any members of the ZC PR Team working on the PR Engagement.
- v. ZC PR Team members working on the PR Engagement will work in offices or cubicles that are physically separate from the AlixPartners personnel working or who worked on the AlixPartners Engagements.
- vi. Elizabeth Kardos, the current General Counsel of Zolfo Cooper, shall review from time to time the Information Barrier procedures and adherence to them by both the ZC PR Team and the AlixPartners Teams, to ensure compliance with the Information Barrier, and will maintain records of that review and be authorized to correct any actual or perceived defects or problems with maintenance of the Information Barrier.
- vii. All ZC PR Team members, and AlixPartners Teams rendering services for or who previously rendered services under the AlixPartners Engagements, will sign this acknowledgment that they have read and understood, and agree to adhere to, the Information Barrier.

7. AlixPartners and its subsidiaries and affiliates, will promptly perform a search to determine any other connections with parties in interest in this case, pursuant to Bankruptcy Rule 2014(a). Zolfo Cooper will file a supplemental affidavit further disclosing any such relationships.

8. Zolfo Cooper acknowledges its continuing obligation to supplement Zolfo Cooper’s prior disclosures.

9. Zolfo Cooper shared and reviewed the Protocols with the Committee and the Committee indicated that it has no objection thereto.

I declare under penalty of perjury pursuant to 28 U.S.C. §1746 that the foregoing is true and correct.

Dated: November 6, 2018

Zolfo Cooper, LLC

A handwritten signature in blue ink, appearing to be "Zolfo Cooper", written over a horizontal line.

Authorized Representative